



The Grand Union Company Annual Report

1985

Supermarket and Department Store Locations



Grand Union Supermarkets

- 30 Connecticut
- 34 Florida
- 18 Maryland
- 6 Massachusetts
- 18 New Hampshire
- 57 New Jersey
- 283 New York
- 4 Pennsylvania
- 22 Vermont
- 20 Virginia
- 1 West Virginia
- 3 Washington, D.C.
- 11 Puerto Rico

Total 507



Grand Way Department Stores

- 5 Connecticut
Danbury, Manchester, Stratford,
Waterbury, West Haven
- 9 Florida
Fort Lauderdale, Miami (3), Orlando,
St. Petersburg (2), Tampa, West
Hollywood
- 2 New Jersey
Keansburg, Paramus
- 9 New York
Albany, Binghamton, Cortland, Elmira,
Nanuet, Plattsburgh, Poughkeepsie,
Rome, Vestal
- 1 Vermont
South Burlington

Total 26

Totals as of March 2, 1966

The Grand Union Company

100 BROADWAY, EAST PATERSON, NEW JERSEY 07407

annual report

FOR THE FISCAL YEAR ENDED
FEBRUARY 26, 1966

1965

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annual meeting

The annual meeting of stockholders will be held at 11 A.M., Wednesday, May 25, 1966 in the auditorium of the Garden State Plaza Shopping Center, Routes 4 and 17, Paramus, New Jersey. A notice of the meeting, a proxy statement and form of proxy are being mailed to each stockholder with this report.



Financial Highlights 1965



	1965	1964
Net sales	\$779,683,407	\$740,039,690
Earnings before income taxes	20,352,125	18,572,417
Federal income taxes	9,500,000	9,000,000
Net earnings	10,852,125	9,572,417
Earnings per common share*	2.01	1.78
Working capital	47,753,890	45,857,597
Current ratio	1.94	1.96
Inventories	68,524,429	65,643,456
Number of common stockholders	14,696	14,046

*Based on the average number of shares outstanding during the respective periods. The earnings per share for 1964 have been adjusted for the 4% common stock dividend paid June 29, 1965. Earnings per share are stated after dividends paid on the 4½% cumulative preferred stock.

Report to Our Stockholders

President's Message

New highs in sales and profits were attained by The Grand Union Company in fiscal 1965.

Sales rose 5.4% to a record \$779,683,407, more than 39.5 million dollars above the previous sales high of \$740,039,690 set in 1964.

Earnings were up 13.4% to an all-time high of \$10,852,125. This net figure, after all taxes and depreciation, compares to 1964 earnings of \$9,572,417.

The 1965 net profits were equal to \$2.01 per share of common stock, based on the average number of shares outstanding during the year. In fiscal 1964, the per share earnings figure was \$1.78, after adjusting for the 4% stock dividend distributed in June, 1965.

After the close of the 1965 fiscal year, the Board of Directors on April 8, 1966, voted a 5% stock dividend and the regular cash dividend of 15¢ per share on the common stock, both payable May 27, 1966, to stockholders of record April 20.

NEW AND OLDER STORES CONTRIBUTED TO RECORD PERFORMANCE

Grand Union's gains in sales and earnings during 1965 reflect good results from new stores and substantially improved performance in the company's retail units in operation a year or more.

Thirty new supermarkets and one new Grand Way Department Store contributed to sales for the first time in 1965.

Volume in existing stores was buoyed by the company's vigorous program of renovation and enlargement. Fifty-one stores, nearly one-tenth of the total, were given a new look in 1965. Of these, 16 were enlarged and renovated, while 35 benefited from major renovations.

MERCHANDISING ADAPTED TO MEET CHANGING DEMANDS

In recent years, there has developed an increasing consumer demand for more service and a wider selection of certain foods in the supermarket. In response to this change in consumer tastes, Grand Union installed thirty-one delicatessen departments and twenty-eight fresh fish sections during 1965. By the end of the year, nearly one-quarter of all our food stores had these departments.

In the general merchandise field, our Grand Way department store concept — as opposed to earlier plain pipe rack discounting operations — is meeting with ever-increasing consumer approval. The newest Grand Way, offering general merchandise exclusively and emphasizing women's fashions in a high-style department store setting, attracted unprecedented crowds of shoppers when it opened on March 2, 1966, in a large shopping center in Horseheads, New York, between Elmira and Corning. All Grand Way general merchandise opening day and opening week sales records were broken.

DATA PROCESSING GROWS IN IMPORTANCE

Computers are rapidly becoming a vital adjunct to intuition as a mainstay of effective management in the field of retailing.

Data processing equipment is being used increasingly by Grand Union in three vital areas: Cost control, faster development of more and better information upon which management decisions may be based and improvement of service to customers.

Utilization of computers in various applications, both old and new, has provided information which has helped the company keep increases in

operating expenses at manageable levels during the past decade, a period in which Grand Union's volume of business has more than doubled.

BAKERY OPERATIONS EXPAND SUBSTANTIALLY

Expansion of the company's centralized baking operations took place in 1965 with a new 40,000 square foot Nancy Lynn Bakery placed in operation last October in Miami, Florida. A versatile, efficient bakery, this modern plant now supplies bread, rolls, cakes and a wide variety of other baked goods to all food stores in the company's 43-store Florida Division.

Output capacity of the original Nancy Lynn Bakery in Bridgeport, Connecticut, was increased by 30 per cent in 1965 through the installation of automated bulk flow flour-handling equipment.

INTRODUCING A NEW CONCEPT OF FINE FOOD RETAILING

Gotham Foods, representing a new concept of fine food retailing by Grand Union in a high-income neighborhood, was opened March 16, 1966 on Lexington Avenue between 71st and 72nd streets in New York City.

Decor of the store, from teakwood flooring in the service meat department to "gold" shopping carts, makes it unique in its neighborhood. It offers prime meats, an extensive selection of gourmet foods and ultra-select fruits and vegetables in addition to standard supermarket fare. Staff members, especially trained, take telephoned orders in seven languages for prompt delivery.

Should Gotham Foods prove successful, the store will be a prototype for similar specialty food shops that the company can open not only in New York but in many other areas throughout its operating territory.

STAMP, AWARD INCENTIVES AND EQUIPMENT COMPANIES DO WELL

More Triple-S Blue Stamps were issued by Grand Union's wholly-owned Stop and Save Trading Stamp Corporation in 1965 than in any year since its founding a decade ago. More than 5,800,000 books of stamps were redeemed by customers of Grand Union supermarkets and several thousand other retailers giving Triple-S stamps.

One new Redemption Center was opened, to bring the total to 56. Five Centers are to be remodeled during the first half of 1966.

Performance Incentives Corporation, Grand Union's affiliate which sells employee award incentive programs to major U.S. companies throughout this country and abroad, increased its volume of business by more than 30% in 1965.

A greatly expanded PIC regional sales office was opened in New York City during the year. Planned for 1966 are larger staffs and offices in Chicago and at PIC headquarters in South Hackensack, New Jersey.

Volume more than doubled in 1965 for North American Equipment Corporation, Grand Union's wholly-owned subsidiary which manufactures gravity shelving for use in warehouses and stores.

There was greatly increased demand for the company's patented Quik-Pik warehouse fixtures. These adjustable, gravity-fed installations for storage and order selection of merchandise distributed in less-than-pallet-size lots are being used more and more by wholesalers, rack jobbers and large food and general merchandise retailers.

Among Quik-Pik users now are large-scale distributors of computer and auto parts; bras, handbags and gloves; chemicals, liquors, paints, candy

and tobacco; textbooks, novels and greeting cards; drugs, cosmetics and health and beauty aids.

COMPANY COMPLYING WITH TERMS OF FTC CONSENT ORDER

As announced last June, Grand Union and the Federal Trade Commission in 1965 reached an agreement settling the FTC charge initiated in 1962 that the company had violated the Clayton Act in 1958 by acquiring the former Empire and Sunrise supermarkets in New York State.

Under terms of the settlement, which in no way admitted that the acquisitions were unlawful, Grand Union offered ten stores for sale. The company also agreed that for ten years it would not, without prior approval of the FTC, acquire in any town or city in any county in which it operates a retail food store: (a) any chain of four or more retail food stores or (b) any single store or chain with total annual sales in excess of \$5 million unless after any such acquisition the combined Grand Union volume would be 5% or less of the total food store sales in said town, city or county, in which case the order imposes no restrictions.

So far, we have sold two of the stores and closed one. Agreement has been reached for the disposal of five others.

GRAND UNION'S POLICIES IN A CHANGING ECONOMY

Rising prices for food, which focused public and governmental attention sharply on our industry in 1965, can be expected to continue this year and for many to come.

Our huge agricultural surpluses have been depleted. Farmers and cattle growers, food processors and manufacturers are now hard put to keep up with increased domestic demand from a growing population with higher-than-ever income. Their resources are being further taxed by the simul-

taneous necessity of providing greater quantities of food essential to supply the growing number of U. S. servicemen in Vietnam and elsewhere overseas.

A third factor contributing to higher prices for food, and one that will grow in importance, is our government's commitment to alleviate hunger in countries around the world through its expanding Food For Peace program. It is estimated, for example, that a supply of wheat equal to half that to be produced in the United States will go this year to aid the people of starvation-plagued India.

Continuation of the present short supply, high demand situation can only result in rising prices, not only for food but for all other necessities and luxuries. Seasonally, certain foods may go down in price from time to time. For the foreseeable future, however, the basic trend will be upward. As a retailer, rather than a producer or manufacturer, Grand Union must buy in this rising market.

Through increased efficiency of operations, Grand Union is doing and will continue to do everything possible to hold prices down. No retailer, however, can absorb fully the higher prices of goods it sells and the other steadily mounting costs of doing business. Salaries, wages and the costs of employee fringe benefits are also on the rise. So are rents, the cost of equipment and services.

Simply put, Grand Union's policy during this period of sweeping economic change will be to keep its retail prices realistically competitive.

Our objectives will be to hold present customers and attract new ones; to maintain Grand Union's high standing in the ranks of one of the most fiercely competitive fields of enterprise and to provide its shareholders with a reasonable return on their investment.

DIRECTOR ELECTED; NEW TOP MANAGEMENT POSTS CREATED

S. William Green, an attorney engaged in private practice with the law firm of Cleary, Gottlieb, Steen and Hamilton in New York City and a member of the New York State Assembly, was elected a member of the Board of Directors in January of 1966. He succeeds Raymond H. Fogler, former President of the W. T. Grant Company, who retired in January after serving with distinction on the Board for ten years.

Two Vice Presidents of the company, both of whom are Directors, were given broader managerial responsibilities during 1965.

Charles G. Rodman and Joseph L. Eckhouse were elected to the newly-created posts of Executive Vice President.

Mr. Rodman, formerly in charge of store operations, now has full responsibility for the steadily expanding Supermarket Division of the company, as well as for food operations in the Grand Way Division.

Mr. Eckhouse will continue as executive in charge of the rapidly growing general merchandise operation in the Grand Way Division.

Leonard Wolfram, staff attorney since 1951, has been elected Secretary of the company to succeed Bertram D. Shepard, who died unexpectedly on April 4, 1966.

For more than twenty-two years Bertram Shepard performed outstanding services for Grand Union. He will be greatly missed.

OUTLOOK BRIGHT FOR 1966

Most of the major indicators point to 1966 as another year of substantial overall economic growth. Grand Union's sales, up 9% during the first month of its current fiscal year, so far confirm the bright prospects for both food and general merchandise retailing.

Physical growth of the company will be considerably greater this year than last.

Some 35 new stores will be opened. Of these, it is expected that 7 will be Grand Way Department Stores — as contrasted to one in 1965. The new Grand Ways, alone, will give the company more than 550,000 square feet of additional retailing capacity.

Renovations and enlargements will again be carried out in more than 50 older stores to increase their potential for both sales and profits.

Presently productive programs of merchandising, advertising and promotion will be strengthened.

Additional applications of data processing techniques, as well as extension of present programs, will be employed to further improve the speed, efficiency and economy of a variety of operations.

Continued outstanding performance by the men and women of Grand Union, now more than 20,000 strong, can be counted on to make that progress possible. On their behalf, as well as on the behalf of the company's Officers and Directors, I wish to assure each shareholder that every effort will be made to see that 1966 is another banner year in sales and, more importantly, in earnings.



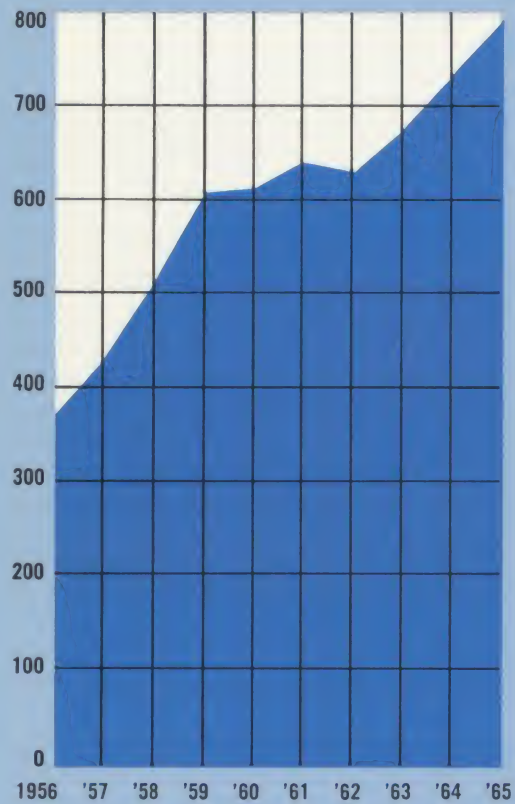
President

April 20, 1966

Growth in Sales and Earnings

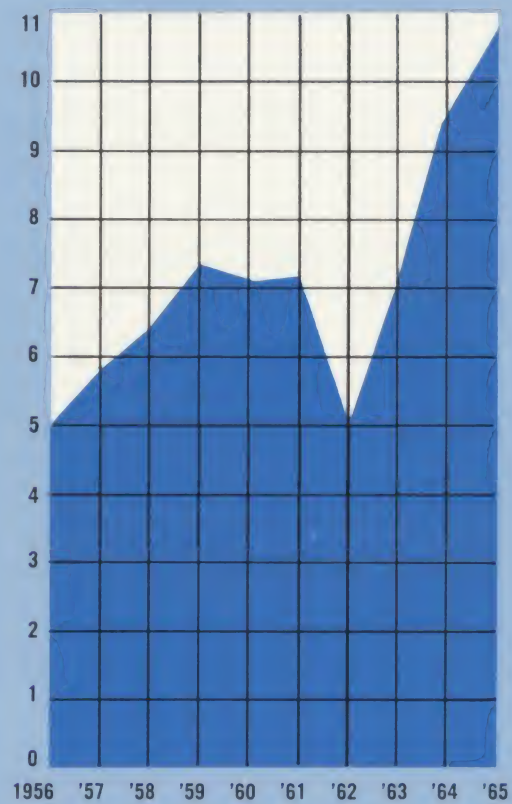
NET SALES

Millions of Dollars

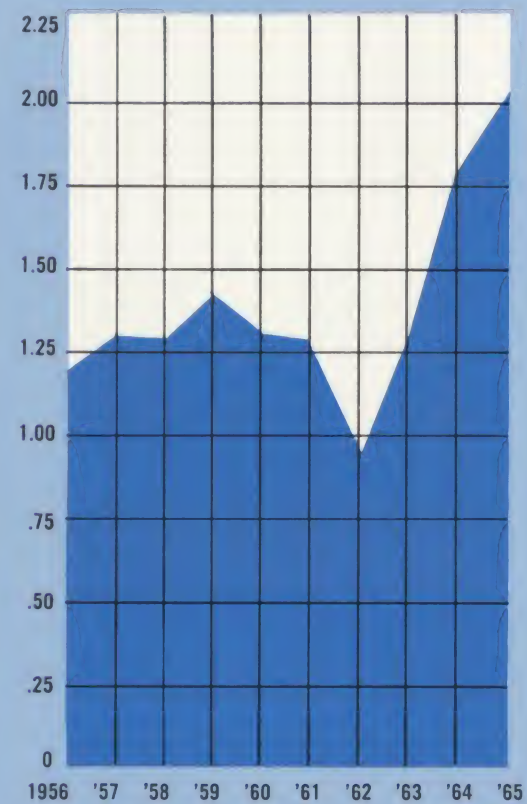


NET EARNINGS

Millions of Dollars



EARNINGS PER COMMON SHARE





This two-story, 100-thousand square foot Grand Way Department Store will open in 1966 as the major tenant in the Elmwood Shopping Center in East Paterson, New Jersey, where Grand Union has its general headquarters. Executive offices of the company are in the tower in the background of this architect's rendering. Devoted exclusively to general merchandise, this Grand Way will be the first to have sales floors on two levels.



Expanding Facilities and Services



Five thousand one-pound loaves of bread an hour can be turned out at the new Nancy Lynn Bakery plant in Miami. The production line is fully automatic, from oven to wrapping. In all, the plant makes 250 different bakery items.



Gotham Foods, Grand Union's experimental store at 980 Lexington Avenue in New York City, offers foods ranging from the everyday to the exotic; charge accounts, telephone order and delivery service.



Magnetic tapes on these data processing machines at Grand Union headquarters store millions of items of information used in preparation of reports to management on various aspects of company operations.

Consolidated Balance Sheets

	ASSETS	
	<u>Feb. 26, 1966</u>	<u>Feb. 27, 1965</u>
Current assets:		
Cash	\$ 18,529,561	\$ 19,396,686
Temporary cash investments, at cost	5,908,213	4,414,520
Accounts receivable, less allowance for losses	5,475,516	4,198,563
Inventories, at the lower of cost or market (note 1)	68,524,429	65,643,456
Total current assets	<u>98,437,719</u>	<u>93,653,225</u>
Investment in and advances to affiliated companies, at cost (note 2)	3,691,232	3,691,232
Fixed assets, at cost less allowances for depreciation and amortization (1966, \$45,152,640; 1965, \$41,400,368):		
Land	2,736,394	2,920,820
Fixtures and equipment	44,767,434	39,971,274
Leasehold improvements and leaseholds	13,566,858	13,299,191
Other	2,345,189	1,416,294
Operating and construction supplies	1,435,867	1,340,472
Other assets and deferred charges	2,274,332	2,419,933
Cost in excess of amounts of net assets at dates of acquisition	7,411,998	7,422,195
	<u>\$176,667,023</u>	<u>\$166,134,636</u>
<i>See accompanying financial notes</i>		

THE GRAND UNION COMPANY AND SUBSIDIARIES

LIABILITIES		Feb. 26, 1966	Feb. 27, 1965
Current liabilities:			
Promissory notes due within one year		\$ 1,400,000	\$ 1,312,500
Accounts payable and accrued liabilities		43,073,152	39,427,442
Federal income taxes		6,210,677	7,055,686
Total current liabilities		50,683,829	47,795,628
Promissory notes payable after one year in varying amounts annually through 1973		9,200,000	10,700,000
4½% subordinated debentures, due 1978 (note 3)		9,860,900	9,869,900
Liability for unredeemed trading stamps, less amount included in current accrued liabilities (1966 \$4,540,443; 1965 \$4,632,606)		1,520,000	1,540,000
Deferred federal income taxes		5,639,397	5,022,812
Deferred investment tax credit		1,599,500	1,052,800
Other noncurrent liabilities and reserves		973,095	1,014,220
		<u>\$ 79,476,721</u>	<u>\$ 76,995,360</u>
CAPITAL			
4½% cumulative preferred stock, \$50 par value, callable at \$52 per share; authorized 116,000 shares, issued 106,308 shares		\$ 5,315,400	\$ 5,315,400
Common stock, \$5 par value, authorized 9,000,000 shares, issued at Feb. 26, 1966, 5,293,849 shares (notes 3 and 5)		26,469,245	25,340,565
Capital surplus, as annexed		53,103,697	48,242,853
Retained earnings, as annexed (note 6)		12,323,777	10,403,355
		97,212,119	89,302,173
Less, treasury stock at cost (at Feb. 26, 1966, 1,705 common shares)		21,817	162,897
		<u>\$ 97,190,302</u>	<u>\$ 89,139,276</u>
		<u>\$176,667,023</u>	<u>\$166,134,636</u>

See accompanying financial notes

Consolidated Statements

THE GRAND UNION COMPANY AND SUBSIDIARIES

INCOME AND RETAINED EARNINGS

	<i>Fifty-two weeks ended Feb. 26, 1966</i>	<i>Fifty-two weeks ended Feb. 27, 1965</i>
Net sales	\$779,683,407	\$740,039,690
Cost of sales	606,823,236	576,414,365
Gross profit	<u>\$172,860,171</u>	<u>\$163,625,325</u>
Operating and general expenses:		
Salaries and wages to employees in the sales department	\$ 70,273,395	\$ 67,082,269
Other selling, administrative and general expenses	81,013,273	76,489,625
	<u>\$151,286,668</u>	<u>\$143,571,894</u>
Other deductions, principally interest expense, net	\$ 21,573,503	\$ 20,053,431
Income before provision for income taxes	1,221,378	1,481,014
Provision for federal income taxes (note 4)	20,352,125	18,572,417
Net income	<u>9,500,000</u>	<u>9,000,000</u>
Retained earnings, beginning of period	10,852,125	9,572,417
	<u>10,403,355</u>	<u>7,720,828</u>
Less dividends:	21,255,480	17,293,245
On common stock:		
In cash, 60¢ per share	3,131,364	2,983,682
In common stock, based on market price, 4%	5,561,243	3,659,191
On 4½% cumulative preferred stock, in cash	239,096	247,017
Retained earnings, end of period (note 6)	<u>\$ 12,323,777</u>	<u>\$ 10,403,355</u>

CAPITAL SURPLUS

Balance, beginning of period	\$ 48,242,853	\$ 44,879,602
Add:		
Excess of retained earnings capitalized in connection with stock dividends over par value of shares issued	4,550,108	2,696,246
Excess of amounts received over par value of common shares issued and cost of treasury shares reissued under employees' stock options	303,920	634,594
Excess of principal amount of debentures converted into common stock over par value of shares issued (note 3)	6,816	1,201
Excess of par value over cost of treasury preferred stock retired	—	31,210
Balance, end of period	<u>\$ 53,103,697</u>	<u>\$ 48,242,853</u>

See accompanying financial notes

Notes to Financial Statements

1. Cost of inventories is determined as follows: at warehouses, "average" or "first-in, first-out"; at retail outlets, "retail method."

2. The consolidated financial statements include the accounts of all wholly owned subsidiaries. The company's investment in affiliated companies represented approximately 32% and 51%, respectively, of the outstanding common stock of Eastern Shopping Centers, Inc., and Performance Incentives Corporation. Eastern acquires, develops and operates shopping centers while PIC offers employee incentive plans for business organizations. At February 26, 1966, the company's equity in the net assets of and advances to these affiliates, based upon the most recent audited financial statements, amounted to approximately \$3,189,000.

3. The 4½% debentures outstanding at February 26, 1966 are convertible until July 15, 1968, into common stock on the basis of \$24.22 principal amount of debentures for each share of stock. The conversion price is subject to certain adjustments as specified in the indenture. At February 26, 1966, an aggregate of 407,143 shares of common stock was reserved for the conversion of such debentures.

4. The provision for federal income taxes includes \$1,163,000 for the period ended February 26, 1966 and \$440,000 for the period ended February 27, 1965, applicable to deferred income taxes and investment tax credit. The investment tax credit is being amortized over the useful life of the property.

5. A summary of the share activity of the stock option plans follows:

Options outstanding, February 27, 1965 . . .	338,179
Shares added to reflect 4% stock dividend . . .	12,159
Options granted at \$27.38 per share . . .	187,870
	<u>538,208</u>
Options exercised, cancelled or expired . . .	122,508
Options outstanding, February 26, 1966 . . .	<u>415,700</u>
(held by approximately 5,300 employees at prices ranging from \$15.92 to \$27.85 per share).	

The outstanding options are exercisable in varying amounts through December 31, 1970.

No further options may be granted under the 1961 plan and per share prices for options granted under the 1964 plan may not be less than 100% of the market price on the dates options are granted. Options may not be granted to directors who are not also officers.

At February 26, 1966, 74,611 shares of common stock were reserved for future grants under the 1964 stock option plan.

6. The note agreements and the 4½% debenture indenture contain provisions as to the maintenance of working capital and payment of cash dividends. The most restrictive of these provides that consolidated working capital may not be less than \$14,500,000, and that payments for net acquisitions of the company's stocks and for cash dividends will be limited in the aggregate to 75% of the consolidated net earnings after March 2, 1957. At February 26, 1966, 75% of such consolidated net earnings exceeded such payments by approximately \$24,600,000 and, accordingly, none of the balance of retained earnings is so restricted.

7. The companies have 526 leases on store, warehouse and other properties expiring after March 1, 1969. The minimum annual rentals on such leases, not including real estate taxes or other expenses payable under the terms of certain of the leases, aggregate approximately \$15,553,000. Of the aggregate annual rentals, \$10,758,000 applies to leases expiring prior to February 28, 1981 and \$4,795,000 applies to leases expiring thereafter but prior to 1992. In addition, the company is contingently liable on 36 leases applicable principally to stores sold, expiring after March 1, 1969, but prior to 1984 and having minimum annual rentals aggregating \$977,000.

8. Costs and expenses include depreciation and amortization of \$7,517,000 and \$7,180,000 for the periods ended in 1966 and 1965, respectively.

Auditors' Report

To the Stockholders, The Grand Union Company, East Paterson, New Jersey:

We have examined the consolidated balance sheet of The Grand Union Company and Subsidiaries as of February 26, 1966, and the related statements of income and retained earnings and of capital surplus for the fifty-two week period then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We previously examined and reported upon the financial statements of the Company and Subsidiaries for the fifty-two weeks ended February 27, 1965.

In our opinion, the aforementioned financial statements present fairly the financial position of The Grand Union Company and Subsidiaries at February 26, 1966 and February 27, 1965, and the consolidated results of their operations for the fifty-two week periods then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Lybrand, Ross Bros. & Montgomery

New York, April 14, 1966

Ten Year Comparisons

Relating to Operations

<i>Year</i>	<i>Net sales</i>	<i>Earnings before taxes on income</i>	<i>Federal income taxes</i>	<i>Net earnings</i>	<i>Earnings per common share (1)</i>
1965	\$779,683,407	\$20,352,125	\$9,500,000	\$10,852,125	\$2.01
1964	740,039,690	18,572,417	9,000,000	9,572,417	1.78
1963	667,417,492	14,370,214	7,350,000	7,020,214	1.30
1962	630,529,554	10,204,089	5,150,000	5,054,089	.92
1961	640,621,586	14,582,507	7,430,000	7,152,507	1.33
1960	604,273,503	14,470,898	7,380,000	7,090,898	1.34
1959	603,468,099	15,154,045	7,800,000	7,354,045	1.41
1958	503,712,887	13,096,522	6,650,000	6,446,522	1.33
1957	427,871,082	11,583,365	5,770,000	5,813,365	1.31
1956	374,155,488	10,049,315	5,000,000	5,049,315	1.18

(1) Based on the average number of shares outstanding during the respective periods adjusted for (a) subsequent stock dividends on common stock which were paid at the rate of 5% during each of the years 1956, 1957, 1958 and 1960, at the rate of 4% during the years 1964 and 1965, at the

rate of 3% during 1959, 1961 and 1962 and at the rate of 2% during 1963 and (b) the three-for-two split effective June 15, 1959. Earnings per share are stated after dividends paid on the 4 1/2% cumulative preferred stock.

Source and Application of Funds

Source

	<i>Fifty-two weeks ended Feb. 26, 1966</i>	<i>Fifty-two weeks ended Feb. 27, 1965</i>
Net income	\$10,852,125	\$ 9,572,417
Charges to income not requiring funds:		
Depreciation and amortization	7,517,000	7,180,000
Deferred income taxes	1,163,000	440,000
Sale of stock under stock option plans	560,867	873,514
	<u>\$20,092,992</u>	<u>\$18,065,931</u>

Application

Cash dividends	\$ 3,370,460	\$ 3,230,699
Additions to fixed assets, net	13,325,296	10,976,534
Reduction in long term debt	1,500,000	1,487,500
Changes in other assets and liabilities, net	943	342,192
Increase in working capital	1,896,293	2,029,006
	<u>\$20,092,992</u>	<u>\$18,065,931</u>

Directors and Officers

THE GRAND UNION COMPANY

Directors

*JOHN E. RAASCH	<i>Chairman of the Board; Former President & Chairman Board of Directors, John Wanamaker</i>
*LOUIS A. GREEN	<i>Chairman of the Executive Committee; Partner, Stryker & Brown, Securities, New York City</i>
*THOMAS C. BUTLER	<i>President and Chief Executive Officer</i>
EMERSON E. BRIGHTMAN	<i>Vice President</i>
JOSEPH L. ECKHOUSE	<i>Executive Vice President</i>
S. WILLIAM GREEN	<i>Attorney</i>
IRVING KAHN	<i>Partner, Abraham & Co., Securities, New York City</i>
LAWRENCE C. MARSHALL	<i>Vice Chairman Board of Directors, The Chase Manhattan Bank, N. A.</i>
WILLIAM I. MYERS	<i>Former Dean, College of Agriculture, Cornell University, Ithaca, New York</i>
WILLIAM H. PREIS	<i>Vice President</i>
ARTHUR J. QUINN	<i>Executive Vice President, The New York Bank for Savings</i>
CHARLES G. RODMAN	<i>Executive Vice President</i>
LAURENCE A. TISCH	<i>Chairman Board of Directors & President, Loew's Theatres, Inc.</i>

*Executive Committee

Officers

THOMAS C. BUTLER	<i>President and Chief Executive Officer</i>
CHARLES G. RODMAN	<i>Executive Vice President</i>
JOSEPH L. ECKHOUSE	<i>Executive Vice President</i>
EMERSON E. BRIGHTMAN	<i>Vice President</i>
BERNARD A. LUBECK	<i>Vice President</i>
LLOYD W. MOSELEY	<i>Vice President</i>
WILLIAM H. PREIS	<i>Vice President</i>
EARL R. SILVERS, JR.	<i>Vice President</i>
CHARLES H. HAIGHT	<i>Treasurer</i>
LEONARD WOLFRAM	<i>Secretary</i>



Transfer Agent

*The Chase Manhattan Bank, N. A.
New York, N. Y. 10015*

Registrar

*Chemical Bank New York Trust Company
New York, N. Y. 10015*

The Grand Union Company



GENERAL OFFICES
100 Broadway, East Paterson, N. J. 07407